

1.1 Complaints and Dispute Resolution Process

The IBCOP requires brokers to adopt a two-step complaint and dispute resolution process.¹ This process must:²

- Be free of charge;
- Enable complaints and disputes to be made by any means reasonable (e.g. by post, telephone, email or in person);
- Be conducted in a fair, transparent and timely manner;
- Ensure that you only ask for and take into account relevant information and provide a complainant with access to this information on request (except in special circumstances);
- Ensure that complaints and disputes are handled within certain prescribed timeframes and that complainants are kept informed about their progress;
- Ensure that complainants are provided with a written response to their complaint,³ that adequately addresses all of the issues they have raised;
- Ensure that complaints are recorded and reported to your senior management team; and
- Cover complaints and disputes about people who act for you (including your Authorised Representatives if you are a Licensee).

From a business perspective, the overriding aim of a complaints process is to turn an unhappy customer into a happy one. The best way to do this is to be responsive at the first point of contact.

For most complaints, a simple apology and taking some immediate action to fix the problem is usually sufficient. However, many businesses are extremely cautious about making apologies to customers for fear of compromising their insurance cover, particularly their professional indemnity cover. This is because most insurance policies contain a condition prohibiting the insured from making any admissions of liability and many fear that an apology could be seen as an admission of fault or liability.

There is a way to safely apologise to clients without compromising your insurance cover. The key is to empathise and/or apologise for the *emotional impact* experienced by them (e.g. “*I’m so sorry you feel ...*” or “*I’m sorry for the inconvenience/frustration/ annoyance/anger, etc...you have experienced*”) – rather than the *action* that caused the problem (e.g. “*I’m sorry, I should have explained the exclusions to you ...*” or “*I’m sorry, I didn’t renew your policy*”).

The table below outlines a suggested Complaints and Dispute Resolution Process. The timeframes in the table are the maximum permissible.

TIP

Complaint forms and letter templates can be found in the Management Templates in the Reference Library.

Step 1 - Complaints Process		
Action	Who	Timeframe

¹ Service Standard 10 and ‘Complaints and Dispute Resolution Process’ section IBCOP

² Service Standard 10 and ‘Complaints and Dispute Resolution Process’ section IBCOP; ASIC RG 165

³ You do not need to provide a written response to a complaint if it is resolved to the satisfaction of the client within 5 business days of its receipt.

<p>Acknowledge the complaint immediately using the same method used by the client to make the complaint (e.g. telephone, email, letter etc.).</p> <p>Where possible, aim to resolve the client's complaint on the first contact. If the problem concerns something that can be fixed immediately, fix it immediately. For most complaints, a simple apology and taking immediate action to fix the problem (if it is immediately fixable) is usually sufficient.</p> <p>Always thank the client for bringing the problem to your attention.</p>	Staff member concerned	Immediately, however not longer than 24 hours.
<p>Complete a Complaint Registration Form for the client's file and record the complaint in the Complaints Register. Include a note on the client's file confirming that you have done so.</p> <p>(A template Complaint Registration Form and Complaints Register can be found in the Reference Library)</p>	Staff member concerned	Immediately
<p>If you need further information before being in a position to attempt to resolve the complaint, obtain any further information required.</p> <p>The type of information you obtain will depend on the precise nature of the complaint (e.g. you might need to request information from an insurer or from the client or to investigate an issue internally with the administration team).</p> <p>Only request information that is relevant to the complaint.</p> <p>Keep the client informed of progress.</p>	Staff member concerned	As soon as possible but within 10 days of receipt of complaint
<p>Review any further information obtained so far as it is relevant to the complaint and consider whether it is possible to resolve the complaint. Then either:</p> <ul style="list-style-type: none"> • Contact the client to attempt to resolve the matter; or • If the complaint is unfounded - send a written response to the client (by post or email) setting out our response to the complaint and the reasons for this response. <p>If your investigation is complex or delayed by issues outside our control such that you will not be able to determine a complaint outcome within 21 days, contact the client to agree an alternative timeframe. Please note you are required to keep the client informed on the progress of their complaint every 10 days.</p>	Staff member concerned	As soon as possible but within 14 days of receipt of the complaint
<p>Update the Complaints Register with information about the outcome of the complaint.</p>	Staff member concerned	As soon as the outcome of the complaint is confirmed to the client

<p>If you have:</p> <ul style="list-style-type: none"> • Attempted to resolve the complaint; or • Formed the view that the complaint is unfounded and provided a complaint response and reasons to the client; and <p>the client remains unsatisfied with the matter, tell them that you will refer the matter to the Disputes Resolution Manager who will:</p> <ul style="list-style-type: none"> • Contact them; • Seek to resolve their dispute within 14 days; and • Keep them informed of progress on a regular basis (every 10 days). 	Staff member concerned	As soon as the client indicates their ongoing dissatisfaction
Step 2 – Disputes Process		
Action	Who	Timeframe
<p>Inform the Disputes Resolution Manager about the dispute and provide them with:</p> <ul style="list-style-type: none"> • All information you have obtained in relation to it; and • Copies of all relevant correspondence with the client. 	Staff member concerned	As soon as the client indicates their ongoing dissatisfaction
<p>Contact the client to:</p> <ul style="list-style-type: none"> • Acknowledge their dispute; • Resolve it if an immediate resolution is possible; or • Tell them what you will do to investigate / consider / attempt to resolve it and request any further information required to do so. Only ask for information that is relevant to the complaint. 	Disputes Resolution Manager	Within 24 hours of receipt of dispute notification
<p>Update the Complaints Register to record the fact that the client's initial complaint has escalated to a dispute.</p>	Disputes Resolution Manager	Within 24 hours of receipt of dispute notification
<p>If the dispute cannot be resolved immediately and requires further investigation, investigate the dispute by obtaining any further information required and devise a proposed solution. Only take into account relevant information in considering the dispute.</p> <p>Keep the client informed of progress.</p>	Disputes Resolution Manager	Within 18 days of receipt of dispute notification (and a maximum of 40 days of receipt of the initial complaint)

<p>Prepare and send a written response to the client's dispute. This can be sent by email or post – use the method normally used to communicate with the client. The response should:</p> <ul style="list-style-type: none"> • Address all issues raised in the dispute; • Provide a detailed response to all issues and reasons for the decision(s) made in relation to them; • Offer any final proposed solution to the dispute (if appropriate) e.g. a premium refund, reimbursement of expenses, compensation payment, good will gesture etc.; • Inform the client of their right to refer the matter to AFCA who will decide whether the dispute falls within their terms of reference and/or whether there has been a breach of the IBCOP; and • Provide contact details for AFCA. <p>If your investigation is complex or delayed by issues outside our control such that you will not be able to determine a dispute outcome within 30 days of the original complaint, contact the client to agree an alternative timeframe. Please note you are required to keep the client informed on the progress of their complaint every 10 days.</p>	Disputes Resolution Manager	Within 21 days of receipt of dispute notification (and a maximum of 30 days of receipt of the initial complaint)
Update the Complaints Register to record the outcome of the dispute.	Disputes Resolution Manager	As soon as the dispute response is sent

1.2 Staff Guidelines for Handling Complaints

Train all staff and Authorised Representatives in the basic principles of complaints handling, the Complaints and Dispute Resolution Process and the roles of the Disputes Resolution Manager and AFCA. Remember to keep a record of this training.

Encourage staff to regard client complaints as an opportunity to ensure that the client feels important and appreciated and to demonstrate your business' commitment to excellent service and respect for its clients. The objective should be to turn a client's frustration into satisfaction.

TIP

A badly handled complaint or dispute could escalate to an errors or omissions claim later. A well managed complaints process is an important part of good risk management.

Ensure that your staff adhere to the following guidelines when dealing with complainants:

- Remain calm and treat the complainant courteously at all times. This will also help the complainant to remain in control;
- Listen to what the complainant has to say;
- Be patient if the client communicates poorly – help them to get their point across;
- Empathise with the complainant, without making admissions. Say things like “I can understand your frustration”;
- Never blame the complainant, or another person or department in the organisation;
- If the complainant has poor communication skills, offer them the opportunity to have an interpreter or representative speak on their behalf;
- If you can't resolve a complaint immediately, tell the complainant what action you are going to take and give them an indication of when they will hear from you again;

- Always keep complainants informed of your progress – don't wait for them to make contact again;
- Understand when to say "no" firmly but without antagonising the complainant further. Say things like "I'm afraid I can't do that";
- Obtain the full relevant facts. Write them down and read them back to the complainant. Ask the necessary questions in a polite and even-handed manner to obtain the most detailed response;
- If a complaint raises issues of privacy, notify the Privacy Officer;
- Confirm the information received to ensure that it is correct;
- Attempt to resolve the problem with an explanation, information or a carefully worded apology;
- Ask the complainant if they are satisfied with your response to their complaint.

1.2.1 Access to information

A complainant is entitled to request access to any information you have relied on in assessing their complaint or dispute. If they do so, ensure that this information is provided to them promptly.

Access to information can only be denied in some special circumstances such as where providing access would:

- Negatively impact the privacy of other people;
- Breach any laws; or
- Prejudice a broker in relation to the complaint or dispute (or any potential legal action against them including a professional indemnity claim).

Ensure that staff can recognise any situation in which you may be entitled to deny access (e.g. where professional indemnity insurers have been notified of a potential claim) and that they notify such requests to the Compliance and Risk Manager who can:

- Assess them;
- Determine how you should respond; and
- If access is to be denied - provide instructions about the content of the response, which must include your reasons for the refusal.

1.2.2 Potential negligence claims

If the subject matter of a complaint or dispute could result in a claim for an error, omission or negligence claim, it may need to be reported to the Licensee's professional indemnity insurer within strict timeframes.

Train staff to recognise the types of complaints that could lead to such claims and ensure that they notify the Compliance and Risk Manager if and when they are received. The Compliance and Risk Manager can then analyse them and consider whether they relate to circumstances that need to be reported to the insurer.

TIP

Include a red flag in your Complaints Register to identify potential professional indemnity claims.

1.2.3 Threats of legal action or media publicity

There will be times when a complaint is accompanied by a threat of legal action or media publicity. These threats should be reported to the Compliance and Risk Manager so that they can be managed appropriately. This might include:

- Reporting media threats to a nominated director or business spokesperson; or
- Obtaining legal advice from the company's lawyers (where necessary).

TIP

Include a red flag in your Complaints Register to identify threats of legal action and media publicity.

1.3 Complaints to Authorised Representatives

Ensure that your Complaints and Dispute Resolution Process is also implemented within the businesses of all Authorised Representatives. This will include:

- Training Authorised Representatives on the process in the same way that you train your staff; and
- Ensuring that disputes are referred to your Disputes Resolution Manager.

In addition, ask Authorised Representatives to either record complaints in your Complaints Register or keep a separate register of their own that your Disputes Resolution Manager and Compliance and Risk Manager can review from time to time. An Authorised Representative's register should also be inspected during an audit of their activities.

Any offer of financial settlement that an Authorised Representative proposes to make should be approved by the Disputes Resolution Manager as they could set a precedent for a Licensee or interfere with the Licensee's insurance program.

1.4 Information to Consumers

Licensees must make information about their Complaints and Dispute Resolution Process available to consumers.⁴ This should be in the form of a simple easy to use guide that is provided on request and whenever a client makes a complaint.⁵

TIP

Include information about your complaints procedures in your FSG or publish a separate easy to use guide. You can also include this information in a dedicated section of your website that you can refer clients to when necessary.

Include the following phrase on invoices and renewal notices:

"We trust we have provided a service that you are happy with. We very much value customer feedback. If you have any queries or concerns about the way we have managed your affairs please let us know. We have adopted the Insurance Brokers Code of Practice and are a member of the Australian Financial Complaints Authority (AFCA), a free consumer dispute resolution service. Further information about the Code and AFCA is available from our office, or directly from the National Insurance Brokers Association (www.niba.com.au) or AFCA (www.afca.org.au)."

NIBA Principal or Corporate Members and other subscribers to the IBCOP must also make information about the Code readily available to their clients.

TIP

⁴ Service Standard 10 and 'Complaints and Dispute Resolution Process' section IBCOP

⁵ ASIC RG 165.129

Include information about the Code on your website and in documents such as your FSG, Engagement Letters, Renewal Letters etc. and keep a supply of hard copies of the Code so you can provide this to a client if requested.

Remember - brokers must provide clients with access to any information relied on in assessing a complaint or dispute, or reasons why access is denied.⁶

1.5 IDR Reporting

Licensees are obliged to report on their Internal Dispute Resolution activities to ASIC and allow ASIC to publish the information it receives.⁷ It is intended that this will improve transparency about a licensee's performance in relation to their IDR activities.

ASIC has new powers to determine the format and content of IDR reports.

Systemic Issues

RG 271 introduces new, enforceable obligations and standards which focus on the identification and management of systemic issues (including the role of boards and 'front line' staff in this process). A systemic issue "is a matter that affects, or has the potential to affect, more than one consumer". An example of this might be a disclosure document that is inadequate or misleading, or a documented procedure that does not comply with legal requirements.

RG 271 requires licensees to:

- encourage and enable staff to escalate possible systemic issues they identify from individual complaints;
- regularly analyse complaint data sets to identify systemic issues;
- promptly escalate possible systemic issues to appropriate areas within the organisation for investigation and action; and
- report internally on the outcome of investigations, including actions taken, in a timely manner.

Reports to executive committees and/or the board must include metrics and analysis of consumer complaints including about systemic issues identified through those complaints.

If an investigation confirms that a systemic issue exists, ASIC expect licensees to take prompt action to identify affected consumers and provide fair remediation.

1.6 External Dispute Resolution Schemes

It is good risk management to try to actively minimise the times when complainants seek assistance from AFCA. If a client has a fair case, refusing to acknowledge this will only generate increased anger and frustration in the client, additional expense and inefficient use of management time.

This does not mean submitting to all customer demands to keep in order to avoid AFCA involvement. Although there is a cost for all complaints handled by AFCA, an admission merely to avoid this cost could set a precedent for further complaints.

⁶ Service Standard 10 and 'Complaints and Dispute Resolution Process' section IBCOP

⁷ Treasury Laws Amendment (Putting Consumers First – Establishment of the Australian Financial Complaints Authority) Act 2018 (Cth)

1.6.1 Australian Financial Complaints Authority

On 1 November 2018, AFCA replaced three external dispute resolution schemes including the Financial Ombudsman Service (FOS). Licensees who deal with retail clients are required to belong to AFCA.

AFCA has broader powers than FOS, including the ability to hear disputes from 'small' businesses with less than 100 employees.

AFCA can consider disputes between financial services providers that are members of AFCA or are acting on behalf of someone who is a member (e.g. an employee, Authorised Representative, Distributor or other agent) and consumers who lodge a complaint with them (applicants).

Eligible applicants can include:⁸

- An individual or individuals (including those acting as a trustee, legal personal representative or otherwise);
- A partnership of individuals – if it carries on a business, the business must be a small business;⁹
- The corporate trustee of a Self Managed Superannuation Fund or a family trust – if it carries on a business, the business must be a small business;
- A small business (whether a sole trader or constituted as a company, partnership, trust or otherwise);
- A not-for-profit organisation or club – if it carries on a business, the business must be a small business unless the not-for-profit organisation or club is also a charity registered with the Australian Charities and Not-for-profits Commission;
- A body corporate of a strata title or company title building which is wholly occupied for residential or small business purposes; or
- The policy holder of a group life or group general insurance policy, where the complaint relates to the payment of benefits under that policy.

The complaint must be about¹⁰ a financial services firm that is an AFCA Member at the time that the complaint is submitted to AFCA; must arise from a customer relationship or other relevant circumstance; and must be connected with Australia. Other criteria may apply in certain circumstances.

Some types of disputes are excluded¹¹ including disputes about:

- **Fees, premiums and charges** – unless it relates to non-disclosure, misrepresentation or incorrect application of the fee, premium or charge by the provider having regard to general practices or concerns a breach of any legal obligation or duty by the provider;
- **Decisions to refuse to insure** – unless the decision was made indiscriminately, maliciously, or on the basis of incorrect information; or the complainant was misinformed about the insurance cover; or the complaint relates to a medical indemnity insurance product;¹²
- **Courts or tribunal matters** – for example, where the dispute has already been dealt with by a court, other tribunal or external dispute resolution scheme or the applicant has already commenced legal proceedings;

⁸ Section E: Defined Terms – 'Eligible Person' – AFCA Complaint Resolution Scheme Rules (as amended 1 November 2018)

⁹ This is defined the same way as 'small business' for the purposes of the retail client definition in the Corporations Act.

¹⁰ Rule A.4.3 – AFCA Complaint Resolution Scheme Rules (as amended 1 November 2018)

¹¹ Rule C.1.2 – AFCA Complaint Resolution Scheme Rules (as amended 1 November 2018)

¹² Rule C.1.4 (d) – AFCA Complaint Resolution Scheme Rules (as amended 1 November 2018)

- **High value claims** – where the value of the applicant's claim in the dispute exceeds \$1,000,000;¹³ and
- There are also specific exclusions that apply to complaints relating to certain superannuation and traditional trustee matters.

AFCA can also refuse to deal with disputes if there is a more appropriate forum for them or they are frivolous, vexatious or lack substance.¹⁴

Legacy Complaints

Between 1 July 2019 and 30 June 2020, AFCA will accept and consider complaints from consumers and small business about the conduct of licensees dating back to 1 January 2008¹⁵, known as legacy complaints. AFCA will initially refer the legacy complaints back to the licensee to resolve and where the client and licensee cannot satisfactorily resolve the complaint, AFCA will investigate the complaint.

General Insurance Disputes

AFCA can only review a dispute about a general insurance policy if it relates to certain types of products, including:¹⁶

- Retail general insurance (e.g. motor vehicle, home building and contents, sickness and accident, consumer credit, travel and personal accident and sickness insurance);
- Residential strata title insurance;
- Small business insurance;
- Medical indemnity insurance.

Where an applicant has a dispute with a broker in relation to one of the above types of product, AFCA can also consider any aspects of the dispute that relate to other insurance cover provided by the same policy (unless it is an 'excluded product').¹⁷

There are financial limits relating to the types of general insurance complaints that can be reviewed by AFCA.

For complaints lodged to the AFCA, the maximum amount that AFCA can award is:¹⁸

- For Uninsured Motor Vehicle claims - \$15,000;
- For claims relating to income stream insurance - \$13,400 per month;
- Claims for indirect financial loss - \$5,000;
- Claims for non-financial loss - \$5,000;
- For claims brought against a general insurance broker - \$250,000; and
- For any other claims (excluding Superannuation Complaints) - \$500,000.

The AFCA Complaint Resolution Scheme Rules detail the process for lodging complaints with AFCA and how providers can respond to a complaint.¹⁹

¹³ See Rule C.1.2 (e) – AFCA Complaint Resolution Scheme Rules (as amended 1 November 2018)

¹⁴ Rule C.2 – AFCA Complaint Resolution Scheme Rules (as amended 1 November 2018)

¹⁵ Section F, added by AFCA Rules Legacy Addendum to allow AFCA to consider 'Legacy Complaints' following the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services.

¹⁶ Rule C.1.4 (a) – AFCA Complaint Resolution Scheme Rules (as amended 1 November 2018)

¹⁷ Section E: Defined Terms – 'Retail General Insurance Policy' and 'Excluded Product' – AFCA Complaint Resolution Scheme Rules (as amended 1 November 2018)

¹⁸ Rule D.4 – AFCA Complaint Resolution Scheme Rules (as amended 1 November 2018)

¹⁹ See, AFCA Complaint Resolution Scheme Rules (as amended 1 November 2018)

TIP

AFCA's Code Compliance and Monitoring team is now responsible for monitoring compliance with the IBCOP standards.

Use of External Dispute Resolution

You should consider the following to help avoid disputes with clients:²⁰

- Put practices and procedures in place to ensure that a client's needs are recorded. This can be done by using detailed checklists, fact finding documents, and questionnaires when determining cover for clients;
- Undertake all reasonable efforts to arrange a policy suitable for the client;
- Inform the client in writing, and if you suspect that they will not read the document, verbally, of any inability to arrange cover for them.
- Advise clients of any exclusions that will impact their insurance needs. It is preferable that they are set out on the cover page of a policy;
- Provide sufficient advice to clients to ensure that they are making a fully informed decision about their insurance needs; and
- Establish, and regularly review your agreement or terms of engagement with the client to ensure that all obligations are being met.

In the event of a dispute, AFCA will likely take the above factors into account when determining whether a broker has breached their duty of care to their client.

1.6.2 Notification to AFCA

AFCA requires its members to nominate a 'complaints manager' or 'customer relations officer' to act as AFCA's contact person. This person will likely also be required to complete and submit an annual report and business size assessment to AFCA.

1.7 Record Keeping

Brokers must implement a system for recording complaints.²¹ This allows you to more effectively address and analyse them and identify any compliance or systemic issues and risks.

Brokers should maintain a Complaints Register in order to record and keep track of the status of each complaint. A template Complaints Register can be found in the Reference Library.

All interactions between a client and the brokerage can have the potential to be the subject of a complaint, including broker and insurer interactions, for example denial of a claim and all matters that arise during the insurance cycle, from placement of the insurance to renewals, endorsements and cancellations.

Establish a uniform system for recording all complaints and disputes irrespective of whether they are resolved through your Complaints and Dispute Resolution Process or referred to AFCA.

The Complaints Register should record the following:

- Date of complaint;
- Name of complainant;

²⁰ Financial Ombudsman Service Australia: 'The FOS Approach to Insurance Broker Disputes', October 2015.

²¹ Table 2, Appendix 1 ASIC RG 165

- Method of complaint;
- A summary of the nature of the complaint/dispute;
- The root cause of the complaint/dispute;
- Current status;
- Deadline for implementing internal resolution (i.e. 21 days for stage 1; 21 days for stage 2; and a maximum of 45 days for completion of the full complaints and disputes process);
- Outcome of the internal dispute resolution process;
- Whether the matter has been referred to AFCA;
- Any applicable AFCA deadlines;
- Outcome of AFCA process (if applicable);
- Whether any breaches have been identified;
- Whether there is a threat of media involvement or legal action; and
- Whether a report has been submitted to professional indemnity insurers.

The Complaints Register can be a simple electronic file or a more sophisticated computer based system. However, it is most important that it contains all the data required to identify and manage complaints and is kept up to date.

The Complaints Register will also assist to compile the information required if a brokerage is selected by AFCA for a random audit (see below).

Ensure that data is accurately recorded, as this enables AFCA to identify industry-wide statistics that can be used to benchmark performance against the industry average.

TIP

Develop abbreviations for the information that you need to record. By coding complaints, reports are easier to prepare and data can be easier to read and compare.

1.8 Analysis

1.8.1 Benchmarks

Benchmarks are vital for the success of a business. Ideally, they should reflect increasingly good standards of operation and client relationships.

Establish benchmarks and standards for handling complaints and disputes. At the end of each year, review performance against these benchmarks to see how staff and brokers have performed against them, how and where they have improved, and what requires further attention.

The benchmarks set will vary from business to business. Areas for consideration include:

- Average time taken to resolve complaints;
- Whether IBCOP and AFCA deadlines are being met;
- Categories of complaint, such as clerical error, poor advice or poor service - choose categories relevant to your business;
- Proportion of complaints that become disputes;
- Proportion of disputes resolved in the client's favour;
- Percentage of complaints successfully resolved without reference to AFCA;
- Proportion of disputes referred to AFCA;

- Proportion of disputes resolved by AFCA in the client's favour; and
- Average cost of resolving disputes.

Review benchmarks regularly and adjust them to realistic goals.

TIP

Ensure that goals are designed to encourage staff to welcome and seek out complaints – not reduce client complaints. Doing this will also prevent staff attempting to hide complaints, which in the long-term can be very costly.

Remember: Complaints are an opportunity to obtain feedback from clients about a product or service experience and to continuously improve relationships with clients.

1.8.2 Trend Analysis

Brokers should regularly evaluate their complaints/disputes data to determine the causes of complaints and, in particular, whether they are due to systemic, recurring or single incident problems and trends.²²

There may be a need for remedial action, for example:

- Changing organisational practices and procedures;
- Retraining brokers and/or staff; or
- Reassessing client communications (e.g. FSG or Letter of Engagement).

The Compliance and Risk Manager should review this data regularly and provide reports to management at least every quarter – see Section 10.12 below. A copy of the reviews should also be provided to the Compliance and Risk Committee and be included in the papers for the next Management/Board meeting.

1.9 Reporting

1.9.1 Internal Reporting

The Compliance and Risk Manager should prepare a complaints report at least monthly (quarterly for small organisations) for the Board and senior management. The report should include:

- An update on the current status of all outstanding complaints, disputes and claims; and
- An analysis of the causes of complaints including whether any compliance, recurring or systemic issues have been identified.

TIP

It is very important that systemic issues are identified and the processes and measures for minimising recurrence are highlighted. If additional resources such as staff or technology are required, this should be highlighted for a management action.

²² Table 2, Appendix 1 ASIC RG 165

1.9.2 Random AFCA Audit

AFCA may random select 100 or more of its members as targets for an audit to check their compliance with EDR and Code requirements.

1.10 Review and Management Accountability

While staff and the Disputes Resolution Manager are primarily responsible for dealing with complaints, management should:

- Regularly monitor and evaluate the performance of the Complaints and Dispute Resolution Process including that of staff who are involved in it – this can be done in conjunction with statistical reviews and/or annual performance reviews;
- Report to the Board on the outcome of statistical reviews and the evaluation; and
- Have the Complaints and Dispute Resolution Process independently audited from time to time (this can be done as part of the external audits required by ASIC).